

grant the applicant temporary recognition to practice pending a determination as to whether enrollment to practice should be granted. Such temporary recognition shall not be granted if the application is not regular on its face; if the information stated therein, if true, is not sufficient to warrant enrollment to practice; if there is any information before the Director of Practice which indicates that the statements in the application are untrue; or which indicates that the applicant would not otherwise qualify for enrollment. Issuance of temporary recognition shall not constitute enrollment to practice or a finding of eligibility for enrollment, and the temporary recognition may be withdrawn at any time by the Director of Practice.

(d) *Appeal from denial of application.* The Director of Practice, in denying an application for enrollment, shall inform the applicant as to the reason(s) therefor. The applicant may, within 30 days after receipt of the notice of denial, file a written appeal therefrom, together with his/her reasons in support thereof, to the Secretary of the Treasury. A decision on the appeal will be rendered by the Secretary of the Treasury as soon as practicable.

(Sec. 501, Pub. L. 82-137, 65 Stat. 290; 31 U.S.C. 483a)

[31 FR 10773, Aug. 13, 1966, as amended at 42 FR 38352, July 28, 1977; 51 FR 2878 Jan. 22, 1986]

#### § 10.6 Enrollment.

(a) *Roster.* The Director of Practice shall maintain rosters of all individuals:

(1) Who have been granted active enrollment to practice before the Internal Revenue Service;

(2) Whose enrollment has been placed in an inactive status for failure to meet the requirements for renewal of enrollment;

(3) Whose enrollment has been placed in an inactive retirement status;

(4) Who have been disbarred or suspended from practice before the Internal Revenue Service;

(5) Whose offer of consent to resignation from enrollment to practice before the Internal Revenue Service has been accepted by the Director of Practice under § 10.55 of this part; and

(6) Whose application for enrollment has been denied.

(b) *Enrollment card.* The Director of Practice will issue an enrollment card to each individual whose application for enrollment to practice before the Internal Revenue Service is approved after the effective date of this regulation. Each such enrollment card will be valid for the period stated thereon. Enrollment cards issued individuals before February 1, 1987 shall become invalid after March 31, 1987. An individual having an invalid enrollment card is not eligible to practice before the Internal Revenue Service.

(c) *Term of enrollment.* Active enrollment to practice before the Internal Revenue Service is accorded each individual enrolled, so long as renewal of enrollment is effected as provided in this part.

(d) *Renewal of enrollment.* To maintain active enrollment to practice before the Internal Revenue Service, each individual enrolled is required to have his/her enrollment renewed as set forth herein. Failure by an individual to receive notification from the Director of Practice of the renewal requirement will not be justification for circumvention of such requirement.

(1) All individuals enrolled to practice before the Internal Revenue Service before November 1, 1986 shall apply for renewal of enrollment during the period between November 1, 1986 and January 31, 1987. Those who receive initial enrollment between November 1, 1986 and January 31, 1987 shall apply for renewal of enrollment by March 1, 1987. The first effective date of renewal will be April 1, 1987.

(2) Thereafter, applications for renewal will be required between November 1, 1989 and January 31, 1990, and between November 1 and January 31 of every third year subsequent thereto. Those who receive initial enrollment during the renewal application period shall apply for renewal of enrollment by March 1 of the renewal year. The effective date of renewed enrollment will be April 1, 1990, and April 1 of every third year subsequent thereto.

(3) The Director of Practice will notify the individual of renewal of enrollment and will issue a card evidencing such renewal.

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(4) A reasonable nonrefundable fee may be charged for each application for renewal of enrollment filed with the Director of Practice.

(5) Forms required for renewal may be obtained from the Director of Practice, Internal Revenue Service, Washington, DC 20224.

(e) *Condition for renewal: Continuing Professional Education.* In order to qualify for renewal of enrollment, an individual enrolled to practice before the Internal Revenue Service must certify, on the application for renewal form prescribed by the Director of Practice, that he/she has satisfied the following continuing professional education requirements.

(1) *For renewed enrollment effective April 1, 1987.* (i) A minimum of 24 hours of continuing education credit must be completed between January 1, 1986 and January 31, 1987.

(ii) An individual who receives initial enrollment between January 1, 1986 and January 31, 1987 is exempt from the continuing education requirement for the renewal of enrollment effective April 1, 1987, but is required to file a timely application for renewal of enrollment.

(2) *For renewed enrollment effective April 1, 1990 and every third year thereafter.* (i) A minimum of 72 hours of continuing education credit must be completed between February 1, 1987 and January 31, 1990, and during each three year period subsequent thereto. Each such three year period is known as an enrollment cycle.

(ii) A minimum of 16 hours of continuing education credit must be completed in each year of an enrollment cycle.

(iii) An individual who receives initial enrollment during an enrollment cycle must complete two (2) hours of qualifying continuing education credit for each month enrolled during such enrollment cycle. Enrollment for any part of a month is considered enrollment for the entire month.

(f) *Qualifying continuing education—*  
(1) *General.* To qualify for continuing education credit, a course of learning must:

(i) Be a qualifying program designed to enhance the professional knowledge of an individual in Federal taxation or

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Federal tax related matters, i.e. programs comprised of current subject matter in Federal taxation or Federal tax related matters to include accounting, financial management, business computer science and taxation; and

(ii) Be conducted by a qualifying sponsor.

(2) *Qualifying programs—*(i) *Formal programs.* Formal programs qualify as continuing education programs if they:

(A) Require attendance;

(B) Require that the program be conducted by a qualified instructor, discussion leader or speaker, i.e. a person whose background, training, education and/or experience is appropriate for instructing or leading a discussion on the subject matter of the particular program; and

(C) Require a written outline and/or textbook and certificate of attendance provided by the sponsor, all of which must be retained by the attendee for a three year period following renewal of enrollment.

(ii) *Correspondence or individual study programs (including taped programs).* Qualifying continuing education programs include correspondence or individual study programs completed on an individual basis by the enrolled individual and conducted by qualifying sponsors. The allowable credit hours for such programs will be measured on a basis comparable to the measurement of a seminar or course for credit in an accredited educational institution. Such programs qualify as continuing education programs if they:

(A) Require registration of the participants by the sponsor;

(B) Provide a means for measuring completion by the participants (e.g., written examination); and

(C) Require a written outline and/or textbook and certificate of completion provided by the sponsor which must be retained by the participant for a three year period following renewal of enrollment.

(iii) *Serving as an instructor, discussion leader or speaker.*

(A) One hour of continuing education credit will be awarded for each contact

hour completed as an instructor, discussion leader or speaker at an educational program which meets the continuing education requirements of this part.

(B) Two hours of continuing education credit will be awarded for actual subject preparation time for each contact hour completed as an instructor, discussion leader or speaker at such programs. It will be the responsibility of the individual claiming such credit to maintain records to verify preparation time.

(C) The maximum credit for instruction and preparation may not exceed 50% of the continuing education requirement for an enrollment cycle.

(D) Presentation of the same subject matter in an instructor, discussion leader or speaker capacity more than one time during an enrollment cycle will not qualify for continuing education credit.

(iv) *Credit for published articles, books, etc.*

(A) Continuing education credit will be awarded for publications on Federal taxation or Federal tax related matters to include accounting, financial management, business computer science, and taxation, provided the content of such publications is current and designed for the enhancement of the professional knowledge of an individual enrolled to practice before the Internal Revenue Service.

(B) The credit allowed will be on the basis of one hour credit for each hour of preparation time for the material. It will be the responsibility of the person claiming the credit to maintain records to verify preparation time.

(C) The maximum credit for publications may not exceed 25% of the continuing education requirement of any enrollment cycle.

(3) *Periodic examination.* Individuals may establish eligibility for renewal of enrollment for any enrollment cycle by:

(i) Achieving a passing score on each part of the Special Enrollment Examination administered under this part during the three year period prior to renewal; and

(ii) Completing a minimum of 16 hours of qualifying continuing edu-

cation during the last year of an enrollment cycle.

(g) *Sponsors.* (1) Sponsors are those responsible for presenting programs.

(2) To qualify as a sponsor, a program presenter must:

(i) Be an accredited educational institution;

(ii) Be recognized for continuing education purposes by the licensing body of any State, possession, territory, Commonwealth, or the District of Columbia responsible for the issuance of a license in the field of accounting or law;

(iii) Be recognized by the Director of Practice as a professional organization or society whose programs include offering continuing professional education opportunities in subject matter within the scope of this part; or

(iv) File a sponsor agreement with the Director of Practice to obtain approval of the program as a qualified continuing education program.

(3) A qualifying sponsor must ensure the program complies with the following requirements:

(i) Programs must be developed by individual(s) qualified in the subject matter;

(ii) Program subject matter must be current;

(iii) Instructors, discussion leaders, and speakers must be qualified with respect to program content;

(iv) Programs must include some means for evaluation of technical content and presentation;

(v) Certificates of completion must be provided those who have successfully completed the program; and

(vi) Records must be maintained by the sponsor to verify completion of the program and attendance by each participant. Such records must be retained for a period of three years following completion of the program. In the case of continuous conferences, conventions, and the like, records must be maintained to verify completion of the program and attendance by each participant at each segment of the program.

(4) Professional organizations or societies wishing to be considered as qualified sponsors shall request such status of the Director of Practice and furnish information in support of the request

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together with any further information deemed necessary by the Director of Practice.

(5) Sponsor agreements and qualified professional organization or society sponsors approved by the Director of Practice shall remain in effect for one enrollment cycle. The names of such sponsors will be published on a periodic basis.

(h) *Measurement of continuing education coursework.* (1) All continuing education programs will be measured in terms of contact hours. The shortest recognized program will be one contact hour.

(2) A contact hour is 50 minutes of continuous participation in a program. Credit is granted only for a full contact hour, i.e. 50 minutes or multiples thereof. For example, a program lasting more than 50 minutes but less than 100 minutes will count as one contact hour.

(3) Individual segments at continuous conferences, conventions and the like will be considered one total program. For example, two 90-minute segments (180 minutes) at a continuous conference will count as three contact hours.

(4) For university or college courses, each semester hour credit will equal 15 contact hours and a quarter hour credit will equal 10 contact hours.

(i) *Recordkeeping requirements.* (1) Each individual applying for renewal shall retain for a period of three years following the date of renewal of enrollment the information required with regard to qualifying continuing professional education credit hours. Such information shall include:

- (i) The name of the sponsoring organization;
  - (ii) The location of the program;
  - (iii) The title of the program and description of its content e.g., course syllabi and/or textbook;
  - (iv) The dates attended;
  - (v) The credit hours claimed;
  - (vi) The name(s) of the instructor(s), discussion leader(s), or speaker(s), if appropriate; and
  - (vii) The certificate of completion and/or signed statement of the hours of attendance obtained from the sponsor.
- (2) To receive continuing education credit for service completed as an in-

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structor, discussion leader, or speaker, the following information must be maintained for a period of three years following the date of renewal of enrollment:

- (i) The name of the sponsoring organization;
  - (ii) The location of the program;
  - (iii) The title of the program and description of its content;
  - (iv) The dates of the program; and
  - (v) The credit hours claimed.
- (3) To receive continuing education credit for publications, the following information must be maintained for a period of three years following the date of renewal of enrollment:

- (i) The publisher;
  - (ii) The title of the publication;
  - (iii) A copy of the publication; and
  - (iv) The date of publication.
- (j) *Waivers.* (1) Waiver from the continuing education requirements for a given period may be granted by the Director of Practice for the following reasons:
- (i) Health, which prevented compliance with the continuing education requirements;
  - (ii) Extended active military duty;
  - (iii) Absence from the United States for an extended period of time due to employment or other reasons, provided the individual does not practice before the Internal Revenue Service during such absence; and
  - (iv) Other compelling reasons, which will be considered on a case-by-case basis.

(2) A request for waiver must be accompanied by appropriate documentation. The individual will be required to furnish any additional documentation or explanation deemed necessary by the Director of Practice. Examples of appropriate documentation could be a medical certificate, military orders, etc.

(3) A request for waiver must be filed no later than the last day of the renewal application period.

(4) If a request for waiver is not approved, the individual will be so notified by the Director of Practice and placed on a roster of inactive enrolled individuals.

(5) If a request for waiver is approved, the individual will be so notified and issued a card evidencing such renewal.

(6) Those who are granted waivers are required to file timely applications for renewal of enrollment.

(k) *Failure to comply.* (1) Compliance by an individual with the requirements of this part shall be determined by the Director of Practice. An individual who fails to meet the requirements of eligibility for renewal of enrollment will be notified by the Director of Practice at his/her last known address by first class mail. The notice will state the basis for the non-compliance and will provide the individual an opportunity to furnish in writing information relating to the matter within 60 days of the date of the notice. Such information will be considered by the Director of Practice in making a final determination as to eligibility for renewal of enrollment.

(2) The Director of Practice may require any individual, by first class mail to his/her last known mailing address, to provide copies of any records required to be maintained under this part. The Director of Practice may disallow any continuing professional education hours claimed if the individual concerned fails to comply with such requirement.

(3) An individual who has not filed a timely application for renewal of enrollment, who has not made a timely response to the notice of non-compliance with the renewal requirements, or who has not satisfied the requirements of eligibility for renewal will be placed on a roster of inactive enrolled individuals for a period of three years. During this time, the individual will be ineligible to practice before the Internal Revenue Service.

(4) During inactive enrollment status or at any other time an individual is ineligible to practice before the Internal Revenue Service, such individual shall not in any manner, directly or indirectly, indicate he or she is enrolled to practice before the Internal Revenue Service, or use the term "enrolled agent," the designation "E. A.," or other form of reference to eligibility to practice before the Internal Revenue Service.

(5) An individual placed in an inactive status may satisfy the requirements for renewal of enrollment during his/her period of inactive enrollment. If

such satisfaction includes completing the continuing education requirement, a minimum of 16 hours of qualifying continuing education hours must be completed in the 12 month period preceding the date on which the renewal application is filed. Continuing education credit under this subsection may not be used to satisfy the requirements of the enrollment cycle in which the individual has been placed back on the active roster.

(6) An individual placed in an inactive status must file an application for renewal of enrollment and satisfy the requirements for renewal as set forth in this section within three years of being placed in an inactive status. The name of such individual otherwise will be removed from the inactive enrollment roster and his/her enrollment will terminate. Eligibility for enrollment must then be reestablished by the individual as provided in this part.

(7) Inactive enrollment status is not available to an individual who is the subject of a discipline matter in the Office of Director of Practice.

(l) *Inactive retirement status.* An individual who no longer practices before the Internal Revenue Service may request being placed in an inactive status at any time and such individual will be placed in an inactive retirement status. The individual will be ineligible to practice before the Internal Revenue Service. Such individual must file a timely application for renewal of enrollment at each applicable renewal or enrollment as provided in this part. An individual who is placed in an inactive retirement status may be reinstated to an active enrollment status upon filing an application for renewal of enrollment and providing evidence of the completion of the required continuing professional education hours for the enrollment cycle. Inactive retirement status is not available to an individual who is the subject to a discipline matter in the Office of Director of Practice.

(m) *Renewal while under suspension or disbarment.* An individual who is ineligible to practice before the Internal Revenue Service by virtue of disciplinary action is required to meet the requirements for renewal of enrollment during the period of ineligibility.

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(n) *Verification.* The Director of Practice may review the continuing education records of an enrolled individual and/or qualified sponsor in a manner deemed appropriate to determine compliance with the requirements and standards for renewal of enrollment as provided in this part.

(Approved by the Office of Management and Budget under control number 1545-0946)

[51 FR 2878, Jan. 22, 1986]

### **§ 10.7 Representing oneself; participating in rulemaking; limited practice; special appearances; and return preparation.**

(a) *Representing oneself.* Individuals may appear on their own behalf before the Internal Revenue Service provided they present satisfactory identification.

(b) *Participating in rulemaking.* Individuals may participate in rulemaking as provided by the Administrative Procedure Act. See 5 U.S.C. 553.

(c) *Limited practice*—(1) *In general.* Subject to the limitations in paragraph (c)(2) of this section, an individual who is not a practitioner may represent a taxpayer before the Internal Revenue Service in the circumstances described in this paragraph (c)(1), even if the taxpayer is not present, provided the individual presents satisfactory identification and proof of his or her authority to represent the taxpayer. The circumstances described in this paragraph (c)(1) are as follows:

(i) An individual may represent a member of his or her immediate family.

(ii) A regular full-time employee of an individual employer may represent the employer.

(iii) A general partner or a regular full-time employee of a partnership may represent the partnership.

(iv) A bona fide officer or a regular full-time employee of a corporation (including a parent, subsidiary, or other affiliated corporation), association, or organized group may represent the corporation, association, or organized group.

(v) A trustee, receiver, guardian, personal representative, administrator, executor, or regular full-time employee of a trust, receivership, guardianship,

or estate may represent the trust, receivership, guardianship, or estate.

(vi) An officer or a regular employee of a governmental unit, agency, or authority may represent the governmental unit, agency, or authority in the course of his or her official duties.

(vii) An individual may represent any individual or entity before personnel of the Internal Revenue Service who are outside of the United States.

(viii) An individual who prepares and signs a taxpayer's return as the preparer, or who prepares a return but is not required (by the instructions to the return or regulations) to sign the return, may represent the taxpayer before officers and employees of the Examination Division of the Internal Revenue Service with respect to the tax liability of the taxpayer for the taxable year or period covered by that return.

(2) *Limitations.* (i) An individual who is under suspension or disbarment from practice before the Internal Revenue Service may not engage in limited practice before the Service under § 10.7(c)(1).

(ii) The Director, after notice and opportunity for a conference, may deny eligibility to engage in limited practice before the Internal Revenue Service under § 10.7(c)(1) to any individual who has engaged in conduct that would justify suspending or disbarring a practitioner from practice before the Service.

(iii) An individual who represents a taxpayer under the authority of § 10.7(c)(1)(viii) is subject to such rules of general applicability regarding standards of conduct, the extent of his or her authority, and other matters as the Director prescribes.

(d) *Special appearances.* The Director, subject to such conditions as he or she deems appropriate, may authorize an individual who is not otherwise eligible to practice before the Service to represent another person in a particular matter.

(e) *Preparing tax returns and furnishing information.* An individual may prepare a tax return, appear as a witness for the taxpayer before the Internal Revenue Service, or furnish information at the request of the Service or any of its officers or employees.

[59 FR 31526, June 20, 1994]

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